



**STATE PUBLIC CHARTER SCHOOL AUTHORITY**

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**BRIEFING MEMORANDUM**

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**TO:** SPCSA Board  
**FROM:** Mark Modrcin, Director of Authorizing  
**SUBJECT:** Agenda Item No. 16: Financial Framework Notices of Breach for Discovery Charter School, Founders Academy of Nevada, Honors Academy of Literature Charter School, Nevada Virtual Academy, Somerset Academy and Quest Preparatory Academy  
**DATE:** June 28, 2018

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As the Authority is aware, staff presented 2016 - 2017 financial framework results at our May 14, 2018 Board meeting along with comparison data and results from the 2015 – 2016 financial framework. This was done to demonstrate the progress and/or regression in various indicators by all schools. After reviewing the results of the past two fiscal years as well as any financial notices issued by this Board last summer, staff is recommending the following schools receive a Notice of Breach for their financial performance during the 2016 – 2017 school year:

Discovery Charter School	Nevada Virtual Academy
Founders Academy of Nevada	Somerset Academy
Honors Academy of Literature Charter School	Quest Preparatory Academy

All of these charter schools received a Notice of Concern as a result of their financial performance in the 2015 – 2016 school year. These notices, which were issued in July, 2017, specified explicit terms that the school needed to meet to avoid qualifying for a Notice of Breach. While the performance of each school varied slightly during the 2016 – 2017 school year, none met all of the requirements listed within their Notice of Concern. As such, staff recommends that the Board delegate to staff the authority to issue notices to each of these schools, reminding them of their performance obligations under their charter contracts and of the potential consequences of failing to meet performance targets.

Recommendation: *Approve SPCSA Staff Recommendation to issue Notices of Breach.*